



The Parker Ranch installation in Hawaii

Webinar Title: Utility Rebates 101

Presenter: Catul Kiti

Organization: ICF International

November 15, 2010

DOE's Technical Assistance Program (TAP) supports the Energy Efficiency and Conservation Block Grant Program (EECBG) and the State Energy Program (SEP) by providing state, local, and tribal officials the tools and resources needed to implement successful and sustainable clean energy programs.



TAP offers:

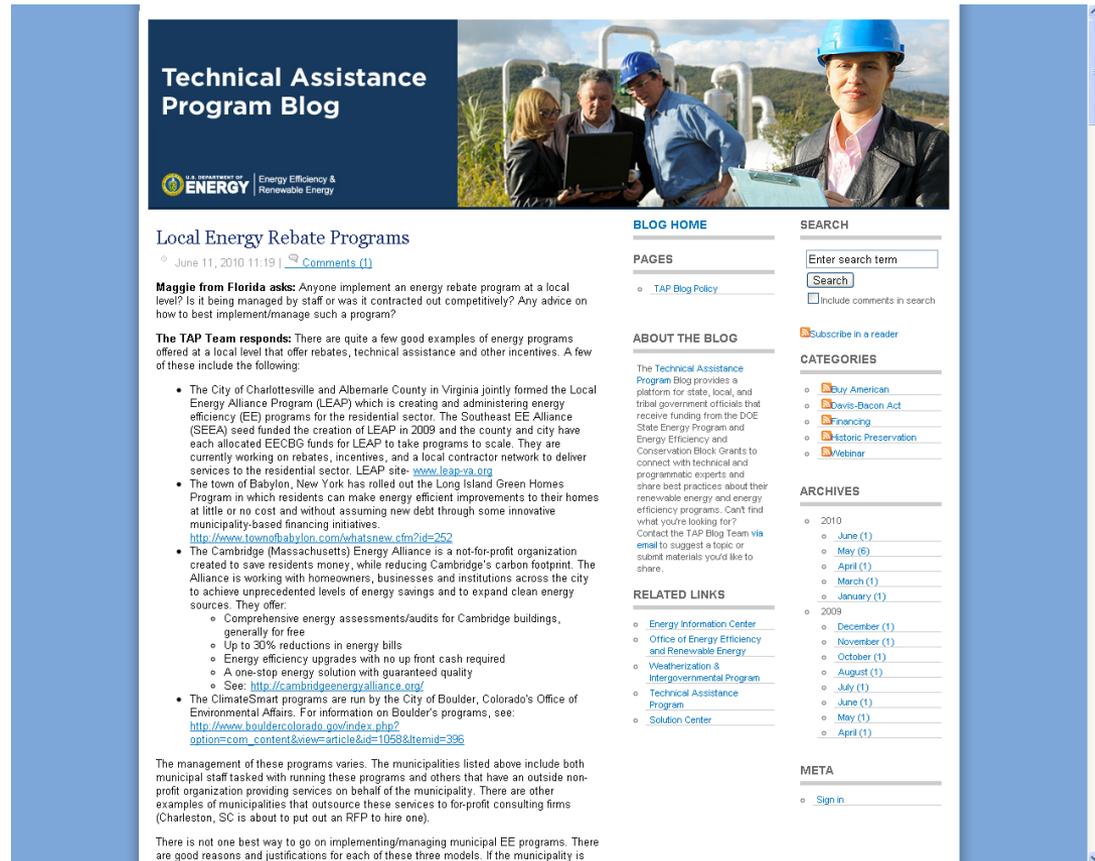
- One-on-one assistance
- Extensive online resource library, including:
 - Webinars
 - Events calendar
 - TAP Blog
 - Best practices and project resources
- Facilitation of peer exchange

On topics including:

- Energy efficiency and renewable energy technologies
- Program design and implementation
- Financing
- Performance contracting
- State and local capacity building

Access the TAP Blog!
<http://www.eereblogs.energy.gov/tap/>

Provides a platform for state, local, and tribal government officials and DOE's network of technical and programmatic experts to connect and share best practices on a variety of topics.



Technical Assistance Program Blog

U.S. DEPARTMENT OF ENERGY Energy Efficiency & Renewable Energy

Local Energy Rebate Programs

June 11, 2010 11:19 | [Comments \(1\)](#)

Maggie from Florida asks: Anyone implement an energy rebate program at a local level? Is it being managed by staff or was it contracted out competitively? Any advice on how to best implement/manage such a program?

The TAP Team responds: There are quite a few good examples of energy programs offered at a local level that offer rebates, technical assistance and other incentives. A few of these include the following:

- The City of Charlottesville and Albemarle County in Virginia jointly formed the Local Energy Alliance Program (LEAP) which is creating and administering energy efficiency (EE) programs for the residential sector. The Southeast EE Alliance (SEEA) seed funded the creation of LEAP in 2009 and the county and city have each allocated EECBG funds for LEAP to take programs to scale. They are currently working on rebates, incentives, and a local contractor network to deliver services to the residential sector. LEAP site- www.leap-va.org
- The town of Babylon, New York has rolled out the Long Island Green Homes Program in which residents can make energy efficient improvements to their homes at little or no cost and without assuming new debt through some innovative municipality-based financing initiatives. <http://www.townofbabylon.com/whatsnew.cfm?id=252>
- The Cambridge (Massachusetts) Energy Alliance is a not-for-profit organization created to save residents money, while reducing Cambridge's carbon footprint. The Alliance is working with homeowners, businesses and institutions across the city to achieve unprecedented levels of energy savings and to expand clean energy sources. They offer:
 - Comprehensive energy assessments/audits for Cambridge buildings, generally for free
 - Up to 30% reductions in energy bills
 - Energy efficiency upgrades with no up front cash required
 - A one-stop energy solution with guaranteed quality
 - See: <http://cambridgeenergyalliance.org/>
- The ClimateSmart programs are run by the City of Boulder, Colorado's Office of Environmental Affairs. For information on Boulder's programs, see: http://www.bouldercolorado.gov/index.php?option=com_content&view=article&id=1058&Itemid=336

The management of these programs varies. The municipalities listed above include both municipal staff tasked with running these programs and others that have an outside non-profit organization providing services on behalf of the municipality. There are other examples of municipalities that outsource these services to for-profit consulting firms (Charleston, SC is about to put out an RFP to hire one).

There is not one best way to go on implementing/managing municipal EE programs. There are good reasons and justifications for each of these three models. If the municipality is

BLOG HOME

PAGES

- [TAP Blog Policy](#)

ABOUT THE BLOG

The Technical Assistance Program Blog provides a platform for state, local, and tribal government officials that receive funding from the DOE State Energy Program and Energy Efficiency and Conservation Block Grants to connect with technical and programmatic experts and share best practices about their renewable energy and energy efficiency programs. Can't find what you're looking for? Contact the TAP Blog Team via email to suggest a topic or submit materials you'd like to share.

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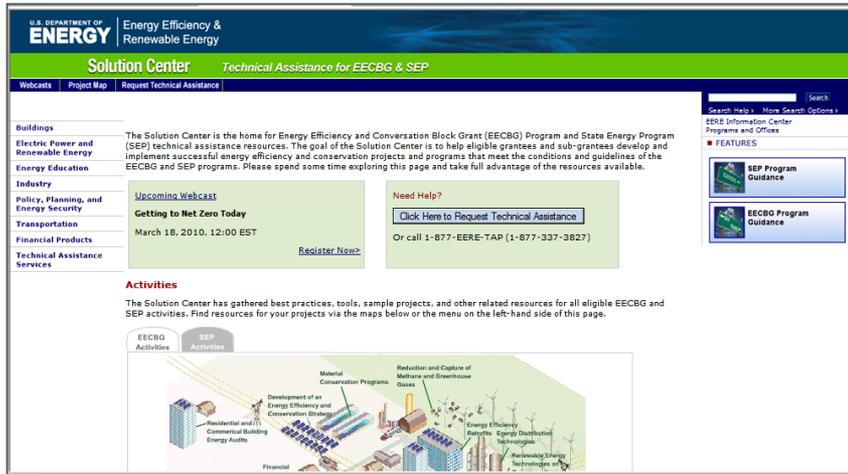
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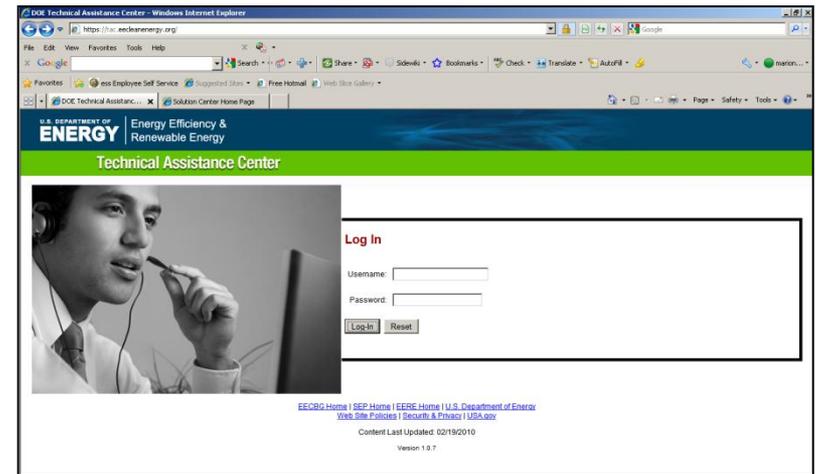
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1) Explore our online resources via the [Solution Center](#)



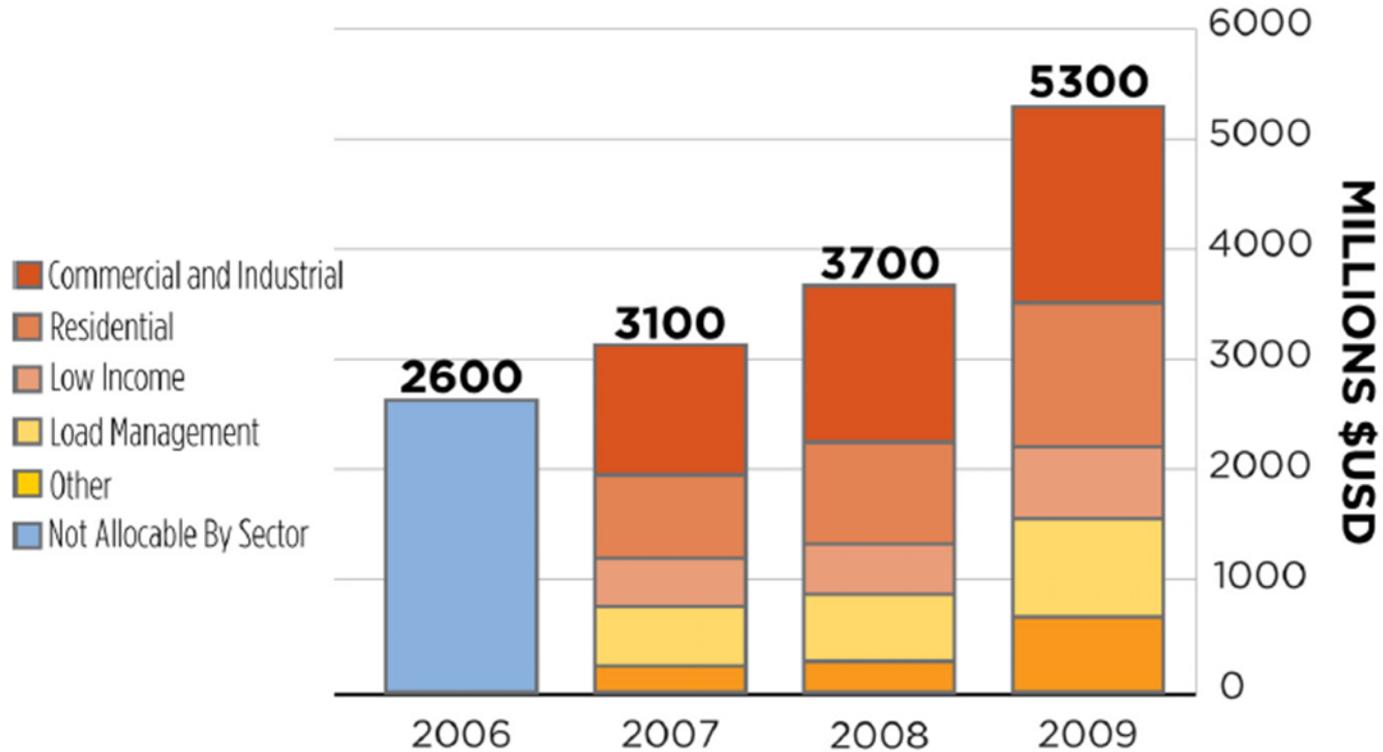
2) Submit a request via the [Technical Assistance Center](#)



3) Ask questions via our call center at 1-877-337-3827 or email us at solutioncenter@ee.doe.gov

- National EE program funding level
- Funding Sources
- Residential Program Characteristics
- Case Study:
 - Effect of ARRA Funding on MD Utility Programs
- Commercial & Industrial Program Characteristics

U.S. Combined Electric and Gas Program Budgets, 2006-2009

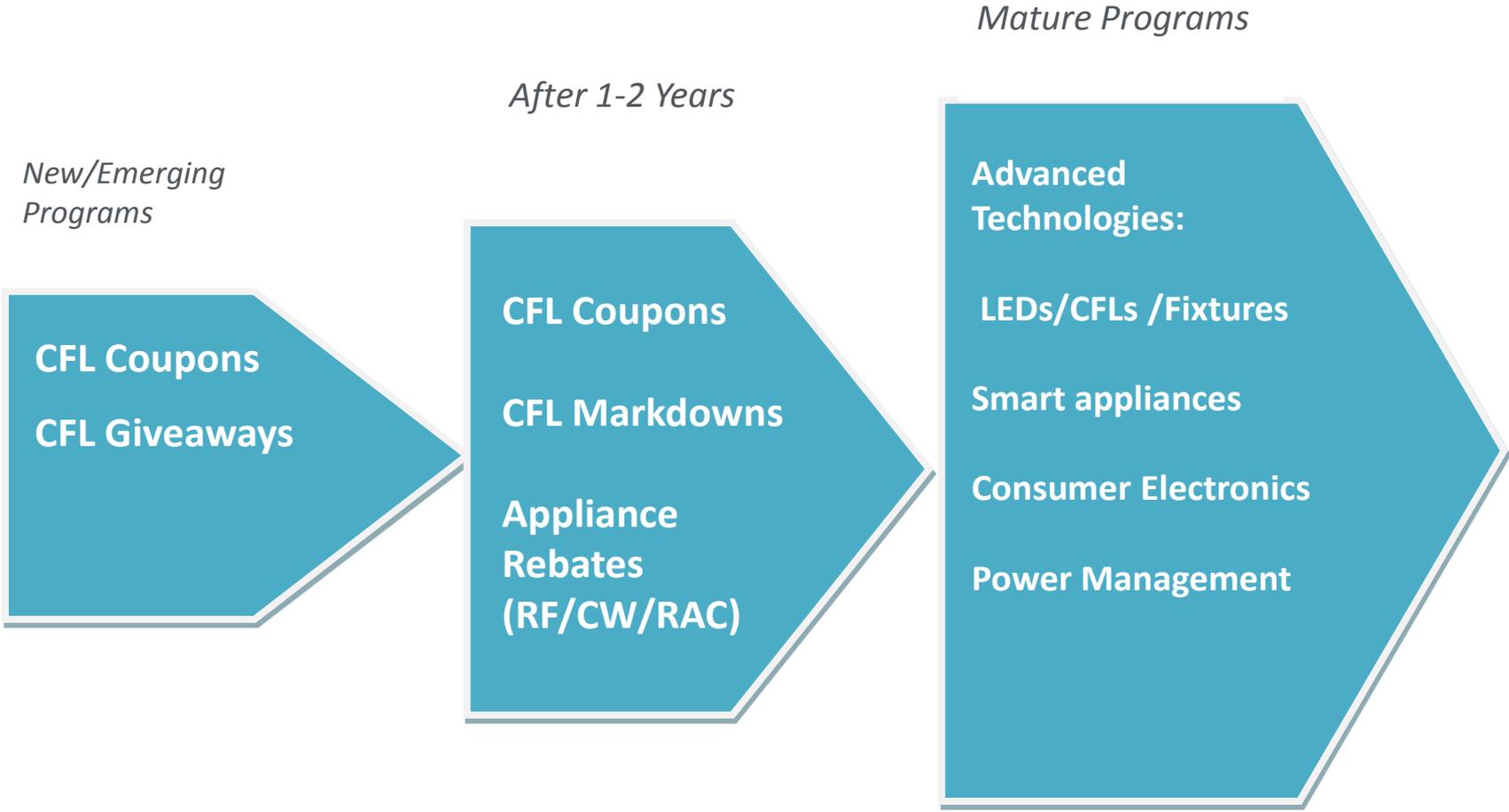


Source: Consortium for Energy Efficiency 2009 Industry Report

- Public Benefits Funds (PBFs, in ~20 states)
 - Defined dollar amounts collected via utility bills
 - Administration may be via utilities, state agencies, or third parties
 - Funding levels drive program activity
 - Attribution and cost-effectiveness less closely tracked
 - Program designs can be more flexible and creative

- Energy Efficiency Resource Standards (~19 states)
 - Legislated long term savings targets drive programs
 - Funding/rate impact caps may also apply
 - Programs can be administered by utilities or others, but utilities are held accountable
 - Attribution and cost-effectiveness regulated by state utility commissions

- Regulatory-process DSM
 - No pre-set funding or savings levels
 - Utilities file plans for overall resources and program portfolios
 - Programs are administered by utilities or contractors
 - Attribution and cost-effectiveness are examined very closely



- Efficient Products
 - Lighting, Appliances, Recycling
- Residential Retrofit
 - Quick Home Energy Check-up
 - Home Performance with ENERGY STAR
- Limited Income Energy Efficiency Program
- HVAC rebates
- New Construction

- MD Awarded \$5.2M
- MEA worked with 4 IOUs and largest Coop to layer ARRA funds on top of existing rebates
- 1st Launch April 22nd to coincide with Earth Day
- Rebates for
 - Clothes Washers
 - Refrigerators
 - Electric Heat Pump Water Heaters (new for utilities)

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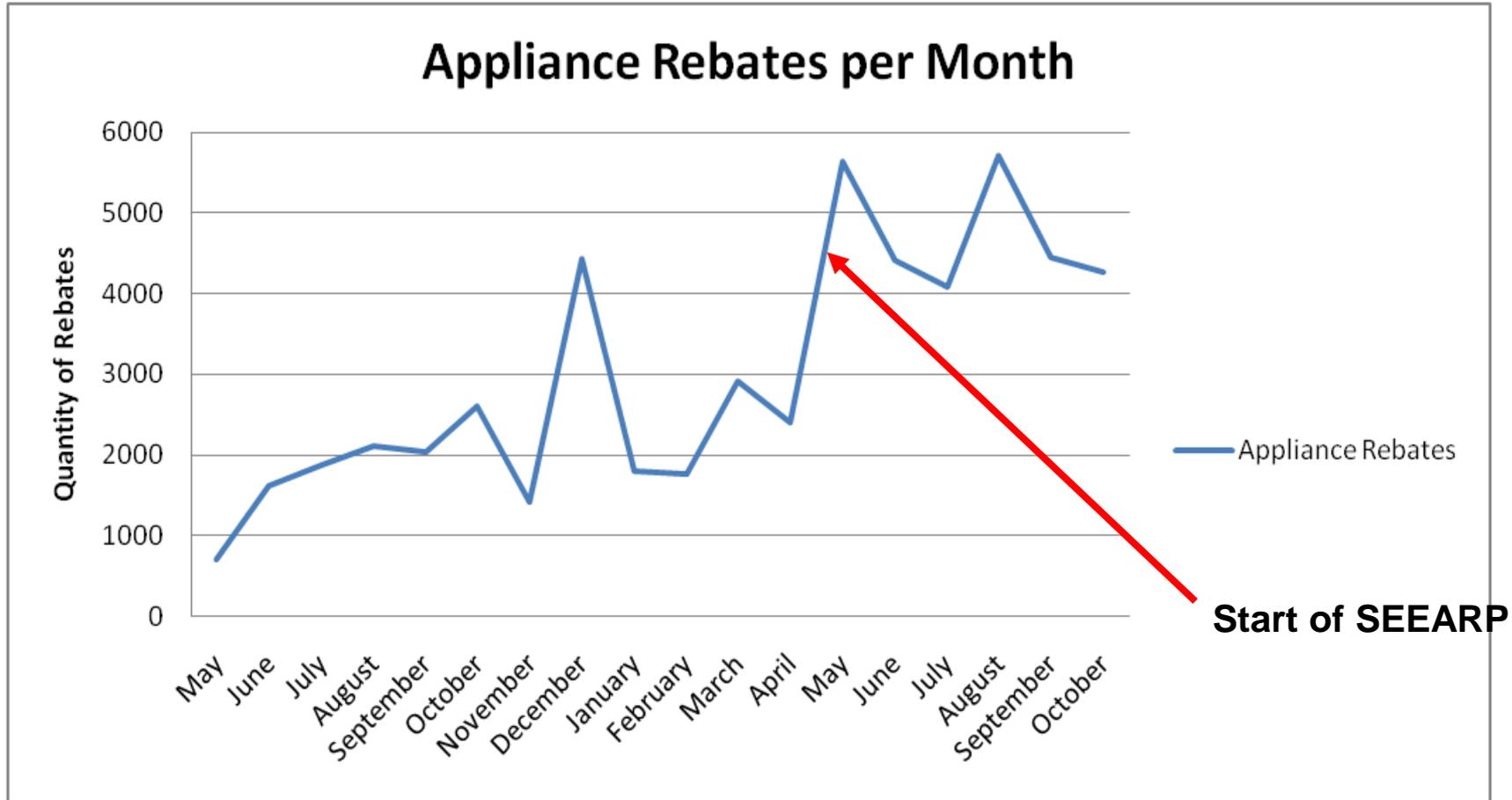
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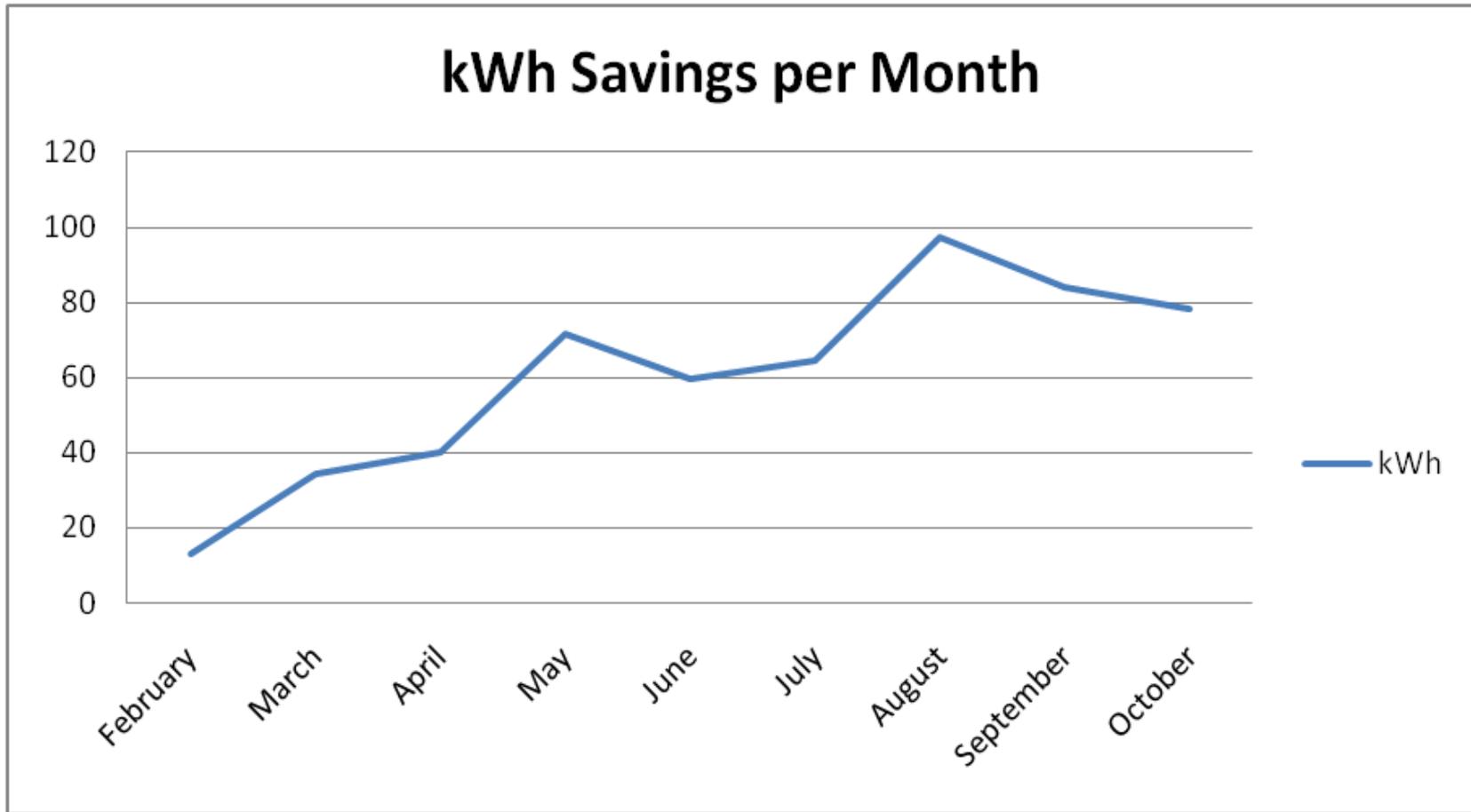


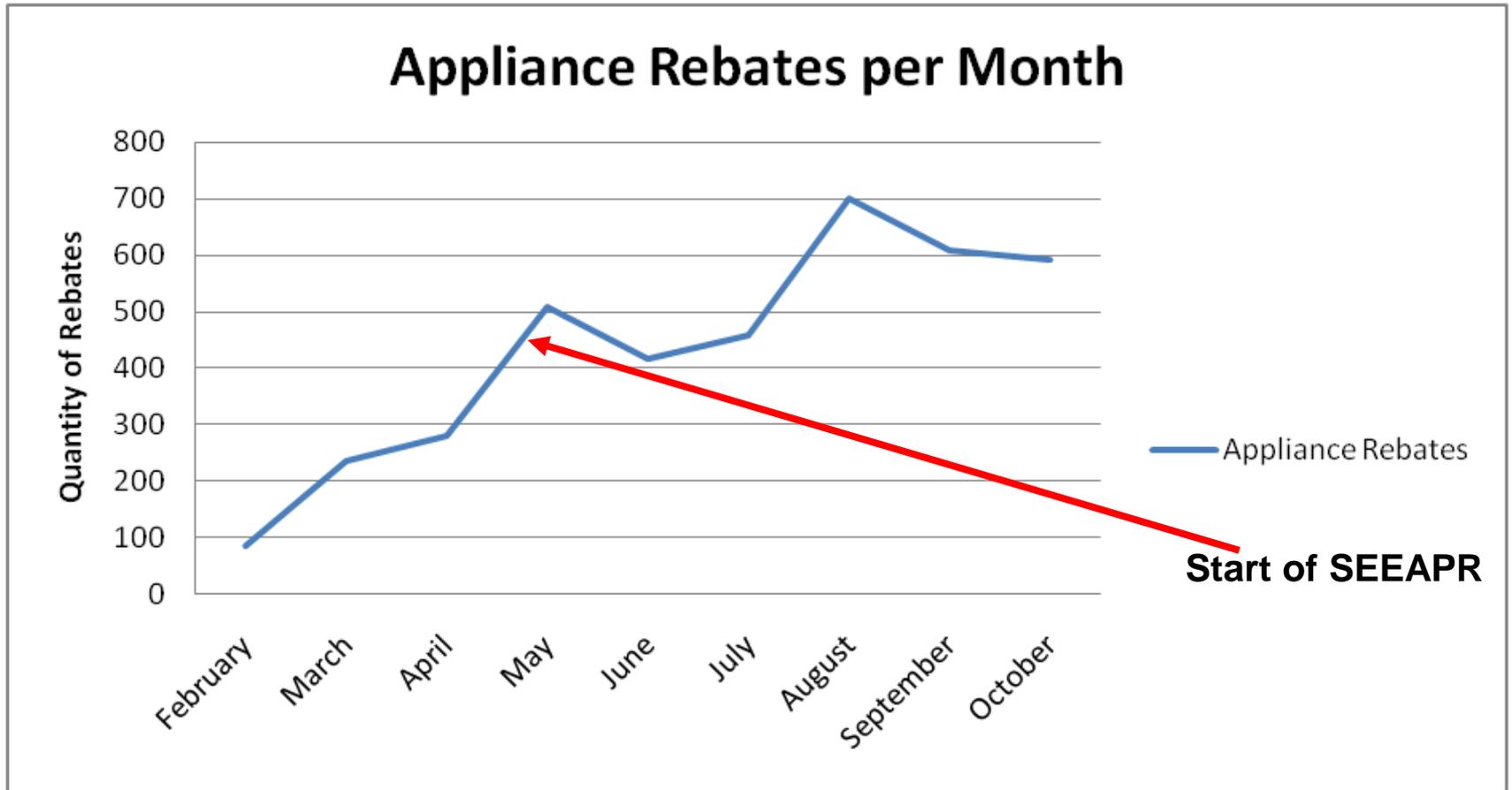
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- Additional rebates offered June 30th
 - Freezers
 - Room AC
 - HVAC systems

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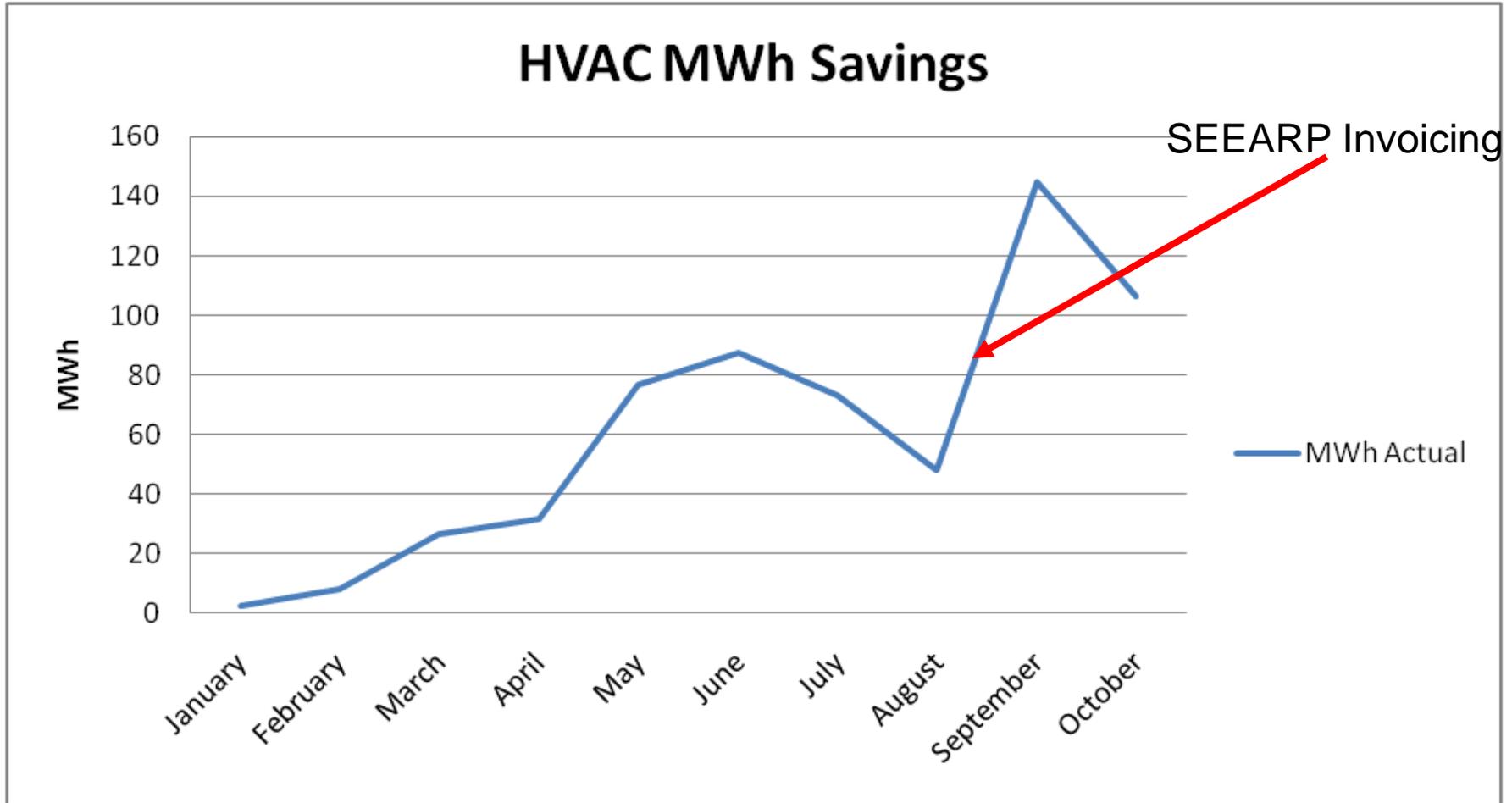
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- Rise in applications and rebate redemptions
- Increase in Demand (KW) and Energy (KWh) savings
- Market Transformation
 - Higher efficiency units purchased
 - New technologies introduced => Electric Heat Pump WH
- Increased interest in other utility programs
 - Cross marketing/selling opportunities
- Lessons learned

- Typical C&I program portfolio consists of 3 core programs:
 - Small C&I Retrofit
 - C&I Retrofit
 - C&I New Construction
- Technical Services
- Utility programs can be leveraged to compliment EECSBG assistance and funds

- Classic hard to reach market
- Typically limited to small business customers (i.e. $\leq 100\text{kW}$ monthly billing demand)
- Small project size – average \$3000
- Incentives typically cover 70-80% of the total cost
- Limited opportunities – predominantly lighting
- Full turnkey services delivered through direct installation contractors

Turn difficult economic times into opportunities

Retrofit—optional replacement: can be considered at any time in the building lifecycle

- Prescriptive
 - Fixed incentives for common measures
- Custom
 - Site-specific measure
 - Incentives based on kWh/kW and total costs
- Retro-commissioning
 - Low-cost O&M measures



- **Open to the whole market**
- **Recognizes differences between sectors**
- **Provides the right mix**
 - Diagnostics
 - Technical services
 - Incentives
- **Keeps processes simple**
- **Engages key players**
- **Builds core structure, allows variations**

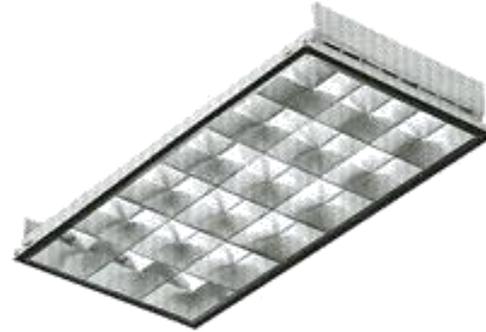
New construction and other “lost opportunities”

- Prescriptive
 - Fixed incentives for common measures
 - Can be triggered late in the design/construction process
- Custom
 - Site-specific
 - Incentives based on kWh/kW savings and incremental costs
 - May involve multiple measures or systems
- Comprehensive
 - Targets the design process
 - Considers whole building performance, all components and systems

- **Targets “Lost Opportunities”**
- **Emphasizes Technical Services**
 - Training
 - Technical support
 - Design assistance
 - Commissioning
- **Keeps business processes simple**
- **Leverages green building initiatives**



- Lighting
- Controls
- Motors and systems
- HVAC
- Compressed air
- Refrigeration
- Process heating and cooling
- Building envelope



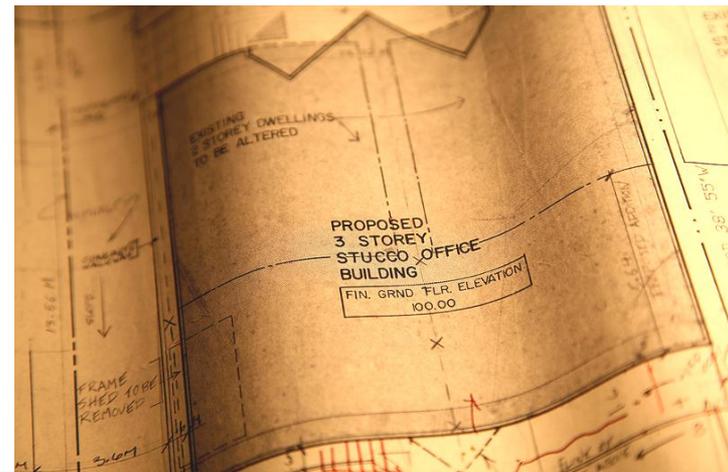
How to save energy without spending too much money

- Facility “walk-through” audits
- Feasibility/project development studies
- Design assistance
- Commissioning
- LEED certification

... and Benchmarking

Create awareness and educate to drive participation

- Delivery channels
 - Trade allies
 - Vendors and contractors that generally work in the retrofit market
 - Local chapters of associations such as BOMA, ASHE, AEE, AIA
 - Design firms, A&E firms, speculative developers
 - Targeted outreach
 - One-on-one
 - Lunch and learn
 - Market segment
 - Utility account managers
 - Contacts
 - Access



- Different strategies needed for areas with and without existing rebate programs
- Where utility/public benefit funds programs are available
 - Complement – don't compete
 - Fill niche needs to increase participation
 - Leverage existing infrastructure and resources to maximize EECEBG consumer benefit
- Where no programs exist
 - Scope dependent on funding available
 - Simple prescriptive rebate programs typically work well
 - Lower costs and larger benefits
 - RFP/Grant format can also be effective

Renew Boston Energy Retrofit of Small Businesses Program

- **Goals:**
 - Improve overall efficiency of very small businesses (<20kw)
 - Job creation consistent with the objectives of ARRA resources and the Boston Resident Jobs Policy
 - Minimize administrative costs so that ARRA funds go directly to the benefit of targeted program participants
- **Benefits**
 - Seamless integrations with existing utility efficiency programs
 - Existing relationships of trade allies to stimulate job creation
 - Proven track record for achieving program goals

- **Benefits (con't)**
 - Experienced administrative capacity
 - Enhanced incentives that cover up to 100% of the installed costs
 - Offers an expanded “Main Streets” type of program targeting specific neighborhoods
- **Results to date**
 - Launched in August 2010
 - Served 4 of 23 neighborhoods

	Electric	Gas
# of Participants	82	44
Energy Savings	395,063 kWhs	8,692 therms
Utility costs	\$132,746	\$7,884
City costs	\$99,124	\$4,509

Community Energy Savers Grants Program

- City of Baltimore has committed \$1 million in Stimulus funds to a competitive grant program for community and neighborhood organizations to reduce energy use.
- Synergies
 - Leveraging BGE programs by providing audits targeting measures offered through the BGE programs
 - Provides funds to offset the costs not covered by BGE
 - Co-promoting program offerings to maximize funds and minimize administrative costs
 - Trained program interns on BGE programs

Please join us again:

Title: **State Clean Energy Policy Impact**
Date: November 17, 2010
Time: 3:00 - 4:15pm EST

Title: **Negotiating and Entering Into an ESPC**
Date: November 18, 2010
Time: 1:30 - 2:30pm EST

Title: **Community Renewables Projects**
Date: November 30, 2010
Time: 2:00 - 3:00pm EST

Title: **Defining and Establishing the Role of a Sustainability Manager**
Date: December 2, 2010
Time: 12:00 - 1:30pm EST

Title: **Building Actionable Climate Action Plans**
Date: December 6, 2010
Time: 2:00 - 3:30pm EST

For the most up-to-date information and registration links, please visit the Solution Center webcast page at www.wip.energy.gov/solutioncenter/webcasts